



23 February 2022

133 Castlereagh Street
Sydney NSW 2000
www.stockland.com

T 02 9035 2000
F 02 8988 2552

STOCKLAND ANNOUNCES NEW CAPITAL PARTNERSHIP WITH IVANHOÉ CAMBRIDGE TO DEVELOP STAGE ONE OF \$2BN+ LIFE SCIENCES AND TECHNOLOGY PRECINCT AT M_PARK

- New capital partnership established¹ with Ivanhoé Cambridge² to develop the M_Park life sciences and technology precinct on a programmatic fund-through basis
- Stage One of M_Park comprises 62,500sqm of net lettable area (NLA) valued at ~\$760m³
- Creates new recurring management income for Stockland along with realised development margin
- Ivanhoé Cambridge will have the opportunity to invest in future stages of the project, with potential additional NLA of ~95,000sqm⁷
- Forecast to be accretive to FFO per security in FY23⁴
- M_Park targets leading sustainability outcomes including net zero carbon emissions in operation

Stockland (ASX: SGP) today announced that it has entered into an agreement with Ivanhoé Cambridge which will acquire a 49% interest in the M_Park Trust (TMPT).

Ivanhoé Cambridge will initially invest on a fund-through basis in TMPT, which is focused on the delivery of the 62,500sqm M_Park Stage One in Macquarie Park, Sydney. This stage is currently under construction, with practical completion expected in FY24. It comprises three commercial buildings with combined NLA of 37,146sqm along with a 25,487sqm data centre.

TMPT is targeting sustainability credentials of 5-6 star Green Star, 5 star NABERS and WELL Gold Core across the commercial buildings.

This initial stage is currently 62% pre-leased⁵ to tenants including Johnson & Johnson Family of Companies, WiSE Medical and a multinational data centre operator.

Ivanhoé Cambridge will have the opportunity⁶ through its stake in TMPT to invest in future stages of the project alongside Stockland. Stockland has entered into a put and call option over an adjacent four hectare site, that has the potential to accommodate a further 95,000sqm of NLA across six additional buildings⁷.

CEO and Managing Director of Stockland, Tarun Gupta, said “The formation of the capital partnership at M_Park delivers on our strategy to expand our third party capital platform and accelerate the delivery of our \$9.1bn Commercial Property development pipeline. We are pleased to welcome

¹ Subject to approval being received from the Foreign Investment Review Board.

² Ivanhoé Cambridge will acquire 49.0% of the units in TMPT, with Stockland retaining 51.0%.

³ Subject to adjustment applying pre-agreed parameters depending on leasing outcomes for uncommitted NLA.

⁴ Forward-looking statements, including statements regarding future earnings and distributions that are based on information and assumptions available to us as of the date of this release. Actual results, performance or achievements could be significantly different from those expressed in, or implied by these forward looking statements.

⁵ By lettable area, including signed heads of agreement.

⁶ Subject to approvals.

⁷ Subject to approvals and final design.

Ivanhoé Cambridge to our platform and look forward to working with them to create one of Australia's leading life sciences and technology precincts."

CEO, Commercial Property, Louise Mason said: "We are excited to see M_Park enter its next phase of delivery via the formation of this partnership. M_Park continues to attract strong interest from leading tenants across multiple industry segments, attracted by its design, location and amenity. Once fully developed, the M_Park precinct will have an end value of over \$2bn⁸, with the capacity to accommodate over 13,000 workers".

Ivanhoé Cambridge Co-Head of Asia Pacific, George Agethen said: "M_Park provides our portfolio with meaningful exposure and diversification to both knowledge-based workplaces and data centres. Backed by high-credit tenants, the investment offers a resilient income profile with promising growth potential. M_Park's net carbon zero aspirations are closely aligned with Ivanhoé Cambridge's sustainability goals. We look forward to the new strategic partnership with Stockland and to the success of M_Park."

Management and Fee structure

The transaction will result in cash-backed development margin (in relation to the 49.0% interest to be acquired by Ivanhoé Cambridge) that will be recognised by Stockland during the construction period for Stage One of M_Park.

In addition, Stockland will provide investment management, development management and property management services. Performance fees may be earned by Stockland, subject to TMPT outperforming targeted rates of return over prescribed intervals.

Transaction timing

Completion of the transaction remains subject to approval by the Foreign Investment Review Board. The transaction is expected to settle in July 2022.

Financial impact

Stockland expects the creation of the capital partnership to be accretive to FFO per security in FY23⁴.

About Ivanhoé Cambridge


Ivanhoé Cambridge develops and invests in high-quality real estate properties, projects and companies that are shaping the urban fabric in dynamic cities around the world. It does so responsibly, with a view to generate long-term performance. Ivanhoé Cambridge is committed to creating living spaces that foster the well-being of people and communities, while reducing its environmental footprint.

Ivanhoé Cambridge invests internationally alongside strategic partners and major real estate funds that are leaders in their markets. Through subsidiaries and partnerships, the Company holds interests in more than 1,100 buildings, primarily in the industrial and logistics, office, residential and retail sectors. Ivanhoé Cambridge held C\$60.4 billion in real estate assets as at December 31, 2020 and is a real estate subsidiary of Caisse de dépôt et placement du Québec (cdpq.com), a global investment group. For more information: ivanhoecambridge.com

ENDS

This announcement is authorised for release to the market by Ms Katherine Grace, Stockland's Company Secretary.

⁸ Including future growth stages. Subject to approvals and final design. Indicative end value, subject to change.



Investor enquiries

Ian Randall

General Manager Investor Relations

0476 583 634

Ivanhoé Cambridge Public Affairs

+1 866 456-3342

media@ivanhoecambridge.com

Media enquiries

Germaine Graham

Senior Manager Media Relations

0429 260 767